
**Introduced by Committee on Human Services (Senators Liu (Chair),
Berryhill, Emmerson, Hancock, Strickland, Wright, and Yee)**

March 15, 2011

An act to amend Sections 10072, 10544.317, 11453, and 11462 of, and to repeal Sections 11521 and 11521.7 of, the Welfare and Institutions Code, relating to public social services.

LEGISLATIVE COUNSEL'S DIGEST

SB 936, as introduced, Committee on Human Services. Public social services.

Existing law provides for public social services programs, such as the CalWORKs program, the Medi-Cal program, and Aid to Families with Dependent Children-Foster Care (AFDC-FC).

This bill would delete various obsolete reporting requirements, and would make other corrections and technical changes to provisions relating to public social services.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 10072 of the Welfare and Institutions
- 2 Code is amended to read:
- 3 10072. The electronic benefits transfer system required by this
- 4 chapter shall be designed to do, but not be limited to, all of the
- 5 following:
- 6 (a) To the extent permitted by federal law and the rules of the
- 7 program providing the benefits, recipients who are required to
- 8 receive their benefits using an electronic benefits transfer system

1 shall be permitted to gain access to the benefits in any part of the
2 state where electronic benefits transfers are accepted. All electronic
3 benefits transfer systems in this state shall be designed to allow
4 recipients to gain access to their benefits by using every other
5 electronic benefits transfer system.

6 (b) To the maximum extent feasible, electronic benefits transfer
7 systems shall be designed to be compatible with the electronic
8 benefits transfer systems in other states.

9 (c) All reasonable measures shall be taken in order to ensure
10 that recipients have access to electronically issued benefits through
11 systems such as automated teller machines, point-of-sale devices,
12 or other devices that accept electronic benefits transfer transactions.
13 Benefits provided under Chapter 2 (commencing with Section
14 11200) of Part 3 shall be staggered over a period of three calendar
15 days, unless a county requests a waiver from the department and
16 the waiver is approved, or in cases of hardship pursuant to
17 subdivision (l).

18 (d) The system shall provide for reasonable access to benefits
19 to recipients who demonstrate an inability to use, an electronic
20 benefits transfer card or other aspect of the system because of
21 disability, language, lack of access, or other barrier. These
22 alternative methods shall conform to the requirements of the
23 Americans with Disabilities Act (42 U.S.C. Sec. 12101, et seq.),
24 including reasonable accommodations for recipients who, because
25 of physical or mental disabilities, are unable to operate or otherwise
26 make effective use of the electronic benefits transfer system.

27 (e) The system shall permit a recipient the option to choose a
28 personal identification number, also known as a “pin” number, to
29 assist the recipient to remember his or her number in order to allow
30 access to benefits. Whenever an institution, authorized
31 representative, or other third party not part of the recipient
32 household or assistance unit has been issued an electronic benefits
33 transfer card, either in lieu of, or in addition to, the recipient, the
34 third party shall have a separate card and personal identification
35 number. At the option of the recipient, he or she may designate
36 whether restrictions apply to the third party’s access to the
37 recipient’s benefits. At the option of the recipient head of
38 household or assistance unit, the county shall provide one electronic
39 benefits transfer card to each adult member to enable them to
40 access benefits.

1 (f) The system shall have a 24-hour-per-day toll-free telephone
2 hotline for the reporting of lost or stolen cards and that will provide
3 recipients with information on how to have the card and personal
4 identification number replaced.

5 (g) A recipient shall not incur any loss of electronic benefits
6 after reporting his or her electronic benefits transfer card or
7 personal identification number has been lost or stolen. The system
8 shall provide for the prompt replacement of lost or stolen electronic
9 benefits transfer cards and personal identification numbers.
10 Electronic benefits for which the case was determined eligible and
11 that were not withdrawn by transactions using an authorized
12 personal identification number for the account shall also be
13 promptly replaced.

14 (h) Electronic benefits transfer system consumers shall be
15 informed on how to use electronic benefits transfer cards and how
16 to protect them from misuse.

17 (i) Procedures shall be developed for error resolution.

18 (j) No fee shall be charged by the state, a county, or an electronic
19 benefits processor certified by the state to retailers participating
20 in the electronic benefits transfer system.

21 (k) Except for ~~food stamp~~ *CalFresh* transactions, a recipient
22 may be charged a fee, not to exceed the amount allowed by
23 applicable state and federal law and customarily charged to other
24 customers, for cash withdrawal transactions that exceed four per
25 month.

26 (l) A county shall exempt an individual from the three-day
27 staggering requirement under subdivision (c) on a case-by-case
28 basis for hardship. Hardship includes, but is not limited to, the
29 incurrence of late charges on an individual's housing payments.

30 ~~(m) No later than May 1, 2000, the department shall prepare~~
31 ~~and submit a report to the Senate Health and Human Services~~
32 ~~Committee and the Assembly Committee on Human Services. The~~
33 ~~report shall contain estimates of the number of counties that may~~
34 ~~opt to issue cash benefits provided under Chapter 2 (commencing~~
35 ~~with Section 11200) of Part 3 by electronics benefits transfer and~~
36 ~~the amount of interest payments that would accrue to the counties~~
37 ~~pursuant to the three-day staggering requirement of subdivision~~
38 ~~(e).~~

39 SEC. 2. Section 10544.317 of the Welfare and Institutions
40 Code is amended to read:

1 10544.317. (a) There is hereby created a welfare reform
2 steering committee comprised of a representative of the *California*
3 ~~Health and Welfare~~ *Human Services Agency*, who shall chair the
4 committee, the Department of Finance, the State Department of
5 Social Services, the California State Association of Counties, the
6 County Welfare Directors Association of California, representatives
7 of the Legislature appointed by the Speaker of the Assembly, the
8 President pro Tempore of the Senate, the minority leader of the
9 Assembly, and the minority leader of the Senate, and two public
10 members appointed by the Secretary of the *California Health and*
11 ~~Welfare Agency~~ *Human Services*.

12 (b) The steering committee shall:

13 (1) Provide advice and consultation on implementation issues
14 related to welfare reform.

15 ~~(2) Review alternative ways to budget for, and allocate funds~~
16 ~~for, the administration of the program and report its findings to~~
17 ~~the appropriate committees of the Legislature in a timely manner~~
18 ~~that will enable the Legislature to incorporate the recommended~~
19 ~~changes in the Budget Act of 1998 and related statutes.~~

20 ~~(3)~~

21 (2) Perform other duties as described elsewhere in this division.

22 SEC. 3. Section 11453 of the Welfare and Institutions Code is
23 amended to read:

24 11453. (a) Except as provided in subdivision (c), the amounts
25 set forth in Section 11452 and subdivision (a) of Section 11450
26 shall be adjusted annually by the department to reflect any increases
27 or decreases in the cost of living. These adjustments shall become
28 effective July 1 of each year, unless otherwise specified by the
29 Legislature. For the 2000–01 fiscal year to the 2003–04 fiscal year,
30 inclusive, these adjustments shall become effective October 1 of
31 each year. The cost-of-living adjustment shall be calculated by the
32 Department of Finance based on the changes in the California
33 Necessities Index, which as used in this section means the weighted
34 average changes for food, clothing, fuel, utilities, rent, and
35 transportation for low-income consumers. The computation of
36 annual adjustments in the California Necessities Index shall be
37 made in accordance with the following steps:

38 (1) The base period expenditure amounts for each expenditure
39 category within the California Necessities Index used to compute
40 the annual grant adjustment are:

1	Food.....	\$ 3,027
2	Clothing (apparel and upkeep).....	406
3	Fuel and other utilities.....	529
4	Rent, residential.....	4,883
5	Transportation.....	1,757
6		
7	Total.....	\$10,602

(2) Based on the appropriate components of the Consumer Price Index for All Urban Consumers, as published by the United States Department of Labor, Bureau of Labor Statistics, the percentage change shall be determined for the 12-month period ending with the December preceding the year for which the cost-of-living adjustment will take effect, for each expenditure category specified in subdivision (a) within the following geographical areas: Los Angeles-Long Beach-Anaheim, San Francisco-Oakland, San Diego, and, to the extent statistically valid information is available from the Bureau of Labor Statistics, additional geographical areas within the state which include not less than 80 percent of recipients of aid under this chapter.

(3) Calculate a weighted percentage change for each of the expenditure categories specified in subdivision (a) using the applicable weighting factors for each area used by the State Department of Industrial Relations to calculate the California Consumer Price Index (CCPI).

(4) Calculate a category adjustment factor for each expenditure category in subdivision (a) by (1) adding 100 to the applicable weighted percentage change as determined in paragraph (2) and (2) dividing the sum by 100.

(5) Determine the expenditure amounts for the current year by multiplying each expenditure amount determined for the prior year by the applicable category adjustment factor determined in paragraph (4).

(6) Determine the overall adjustment factor by dividing (1) the sum of the expenditure amounts as determined in paragraph (4) for the current year by (2) the sum of the expenditure amounts as determined in subdivision (d) for the prior year.

(b) The overall adjustment factor determined by the preceding computation steps shall be multiplied by the schedules established pursuant to Section 11452 and subdivision (a) of Section 11450

1 as are in effect during the month of June preceding the fiscal year
2 in which the adjustments are to occur and the product rounded to
3 the nearest dollar. The resultant amounts shall constitute the new
4 schedules which shall be filed with the Secretary of State.

5 (c) (1) No adjustment to the maximum aid payment set forth
6 in subdivision (a) of Section 11450 shall be made under this section
7 for the purpose of increasing the benefits under this chapter for
8 the 1990–91, 1991–92, 1992–93, 1993–94, 1994–95, 1995–96,
9 1996–97, and 1997–98 fiscal years, and through October 31, 1998,
10 to reflect any change in the cost of living. For the 1998–99 fiscal
11 year, the cost of living adjustment that would have been provided
12 on July 1, 1998, pursuant to subdivision (a) shall be made on
13 November 1, 1998. No adjustment to the maximum aid payment
14 set forth in subdivision (a) of Section 11450 shall be made under
15 this section for the purpose of increasing the benefits under this
16 chapter for the 2005–06 and 2006–07 fiscal years to reflect any
17 change in the cost-of-living. Elimination of the cost-of-living
18 adjustment pursuant to this paragraph shall satisfy the requirements
19 of Section 11453.05, and no further reduction shall be made
20 pursuant to that section.

21 (2) No adjustment to the minimum basic standard of adequate
22 care set forth in Section 11452 shall be made under this section
23 for the purpose of increasing the benefits under this chapter for
24 the 1990–91 and 1991–92 fiscal years to reflect any change in the
25 cost of living.

26 (3) In any fiscal year commencing with the 2000–01 fiscal year
27 to the 2003–04 fiscal year, inclusive, when there is any increase
28 in tax relief pursuant to the applicable paragraph of subdivision
29 (a) of Section 10754 of the Revenue and Taxation Code, then the
30 increase pursuant to subdivision (a) of this section shall occur. In
31 any fiscal year commencing with the 2000–01 fiscal year to the
32 2003–04 fiscal year, inclusive, when there is no increase in tax
33 relief pursuant to the applicable paragraph of subdivision (a) of
34 Section 10754 of the Revenue and Taxation Code, then any
35 increase pursuant to subdivision (a) of this section shall be
36 suspended.

37 (4) Notwithstanding paragraph (3), an adjustment to the
38 maximum aid payments set forth in subdivision (a) of Section
39 11450 shall be made under this section for the 2002–03 fiscal year,
40 but the adjustment shall become effective June 1, 2003.

1 (5) No adjustment to the maximum aid payment set forth in
2 subdivision (a) of Section 11450 shall be made under this section
3 for the purpose of increasing benefits under this chapter for the
4 2007–08, 2008–09, and 2009–10 fiscal years.

5 (6) For the 2010–11 fiscal year and each fiscal year thereafter,
6 no adjustment to the maximum aid payment set forth in subdivision
7 (a) of Section 11450 shall be made under this section unless
8 otherwise specified by statute.

9 ~~(d) For the 2004–05 fiscal year, the adjustment to the maximum~~
10 ~~aid payment set forth in subdivision (a) shall be suspended for~~
11 ~~three months commencing on the first day of the first month~~
12 ~~following the effective date of the act adding this subdivision.~~

13 (e)

14 (d) Adjustments for subsequent fiscal years pursuant to this
15 section shall not include any adjustments for any fiscal year in
16 which the cost of living was suspended pursuant to subdivision
17 (c).

18 SEC. 4. Section 11462 of the Welfare and Institutions Code is
19 amended to read:

20 11462. (a) (1) Effective July 1, 1990, foster care providers
21 licensed as group homes, as defined in departmental regulations,
22 including public child care institutions, as defined in Section
23 11402.5, shall have rates established by classifying each group
24 home program and applying the standardized schedule of rates.
25 The department shall collect information from group providers
26 beginning January 1, 1990, in order to classify each group home
27 program.

28 (2) Notwithstanding paragraph (1), foster care providers licensed
29 as group homes shall have rates established only if the group home
30 is organized and operated on a nonprofit basis as required under
31 subdivision (h) of Section 11400. The department shall terminate
32 the rate effective January 1, 1993, of any group home not organized
33 and operated on a nonprofit basis as required under subdivision
34 (h) of Section 11400.

35 (3) (A) The department shall determine, consistent with the
36 requirements of this chapter and other relevant requirements under
37 law, the rate classification level (RCL) for each group home
38 program on a biennial basis. Submission of the biennial rate
39 application shall be made according to a schedule determined by
40 the department.

(B) The department shall adopt regulations to implement this paragraph. The adoption, amendment, repeal, or readoption of a regulation authorized by this paragraph is deemed to be necessary for the immediate preservation of the public peace, health and safety, or general welfare, for purposes of Sections 11346.1 and 11349.6 of the Government Code, and the department is hereby exempted from the requirement to describe specific facts showing the need for immediate action.

(b) A group home program shall be initially classified, for purposes of emergency regulations, according to the level of care and services to be provided using a point system developed by the department and described in the report, "The Classification of Group Home Programs under the Standardized Schedule of Rates System," prepared by the State Department of Social Services, August 30, 1989.

(c) The rate for each RCL has been determined by the department with data from the AFDC-FC Group Home Rate Classification Pilot Study. The rates effective July 1, 1990, were developed using 1985 calendar year costs and reflect adjustments to the costs for each fiscal year, starting with the 1986–87 fiscal year, by the amount of the California Necessities Index computed pursuant to the methodology described in Section 11453. The data obtained by the department using 1985 calendar year costs shall be updated and revised by January 1, 1993.

(d) As used in this section, "standardized schedule of rates" means a listing of the 14 rate classification levels, and the single rate established for each RCL.

(e) Except as specified in paragraph (1), the department shall determine the RCL for each group home program on a prospective basis, according to the level of care and services that the group home operator projects will be provided during the period of time for which the rate is being established.

(1) (A) For new and existing providers requesting the establishment of an RCL, and for existing group home programs requesting an RCL increase, the department shall determine the RCL no later than 13 months after the effective date of the provisional rate. The determination of the RCL shall be based on a program audit of documentation and other information that verifies the level of care and supervision provided by the group home program during a period of the two full calendar months or

1 60 consecutive days, whichever is longer, preceding the date of
2 the program audit, unless the group home program requests a lower
3 RCL. The program audit shall not cover the first six months of
4 operation under the provisional rate. Pending the department's
5 issuance of the program audit report that determines the RCL for
6 the group home program, the group home program shall be eligible
7 to receive a provisional rate that shall be based on the level of care
8 and service that the group home program proposes it will provide.
9 The group home program shall be eligible to receive only the RCL
10 determined by the department during the pendency of any appeal
11 of the department's RCL determination.

12 (B) A group home program may apply for an increase in its
13 RCL no earlier than two years from the date the department has
14 determined the group home program's rate, unless the host county,
15 the primary placing county, or a regional consortium of counties
16 submits to the department in writing that the program is needed
17 in that county, that the provider is capable of effectively and
18 efficiently operating the proposed program, and that the provider
19 is willing and able to accept AFDC-FC children for placement
20 who are determined by the placing agency to need the level of care
21 and services that will be provided by the program.

22 (C) To ensure efficient administration of the department's audit
23 responsibilities, and to avoid the fraudulent creation of records,
24 group home programs shall make records that are relevant to the
25 RCL determination available to the department in a timely manner.
26 Except as provided in this section, the department may refuse to
27 consider, for purposes of determining the rate, any documents that
28 are relevant to the determination of the RCL that are not made
29 available by the group home provider by the date the group home
30 provider requests a hearing on the department's RCL
31 determination. The department may refuse to consider, for purposes
32 of determining the rate, the following records, unless the group
33 home provider makes the records available to the department
34 during the fieldwork portion of the department's program audit:

35 (i) Records of each employee's full name, home address,
36 occupation, and social security number.

37 (ii) Time records showing when the employee begins and ends
38 each work period, meal periods, split shift intervals, and total daily
39 hours worked.

40 (iii) Total wages paid each payroll period.

1 (iv) Records required to be maintained by licensed group home
2 providers under Title 22 of the California Code of Regulations
3 that are relevant to the RCL determination.

4 (D) To minimize financial abuse in the startup of group home
5 programs, when the department's RCL determination is more than
6 three levels lower than the RCL level proposed by the group home
7 provider, and the group home provider does not appeal the
8 department's RCL determination, the department shall terminate
9 the rate of a group home program 45 days after issuance of its
10 program audit report. When the group home provider requests a
11 hearing on the department's RCL determination, and the RCL
12 determined by the director under subparagraph (E) is more than
13 three levels lower than the RCL level proposed by the group home
14 provider, the department shall terminate the rate of a group home
15 program within 30 days of issuance of the director's decision.
16 Notwithstanding the reapplication provisions in subparagraph (B),
17 the department shall deny any request for a new or increased RCL
18 from a group home provider whose RCL is terminated pursuant
19 to this subparagraph, for a period of no greater than two years from
20 the effective date of the RCL termination.

21 (E) A group home provider may request a hearing of the
22 department's RCL determination under subparagraph (A) no later
23 than 30 days after the date the department issues its RCL
24 determination. The department's RCL determination shall be final
25 if the group home provider does not request a hearing within the
26 prescribed time. Within 60 days of receipt of the request for
27 hearing, the department shall conduct a hearing on the RCL
28 determination. The standard of proof shall be the preponderance
29 of the evidence and the burden of proof shall be on the department.
30 The hearing officer shall issue the proposed decision within 45
31 days of the close of the evidentiary record. The director shall adopt,
32 reject, or modify the proposed decision, or refer the matter back
33 to the hearing officer for additional evidence or findings within
34 100 days of issuance of the proposed decision. If the director takes
35 no action on the proposed decision within the prescribed time, the
36 proposed decision shall take effect by operation of law.

37 (2) Group home programs that fail to maintain at least the level
38 of care and services associated with the RCL upon which their rate
39 was established shall inform the department. The department shall
40 develop regulations specifying procedures to be applied when a

group home fails to maintain the level of services projected, including, but not limited to, rate reduction and recovery of overpayments.

(3) The department shall not reduce the rate, establish an overpayment, or take other actions pursuant to paragraph (2) for any period that a group home program maintains the level of care and services associated with the RCL for children actually residing in the facility. Determinations of levels of care and services shall be made in the same way as modifications of overpayments are made pursuant to paragraph (2) of subdivision (b) of Section 11466.2.

(4) A group home program that substantially changes its staffing pattern from that reported in the group home program statement shall provide notification of this change to all counties that have placed children currently in care. This notification shall be provided whether or not the RCL for the program may change as a result of the change in staffing pattern.

(f) (1) The standardized schedule of rates for the 2002–03, 2003–04, 2004–05, 2005–06, 2006–07, and 2007–08 fiscal years is:

Rate	Point Ranges	FY 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, and 2007-08 Standard Rate
Classification		
Level		
1	Under 60	\$1,454
2	60- 89	1,835
3	90-119	2,210
4	120-149	2,589
5	150-179	2,966
6	180-209	3,344
7	210-239	3,723
8	240-269	4,102
9	270-299	4,479
10	300-329	4,858
11	330-359	5,234
12	360-389	5,613
13	390-419	5,994
14	420 & Up	6,371

(2) (A) For group home programs that receive AFDC-FC payments for services performed during the 2002–03, 2003–04, 2004–05, 2005–06, 2006–07, 2007–08, 2008–09, and 2009–10 fiscal years, the adjusted RCL point ranges below shall be used for establishing the biennial rates for existing programs, pursuant to paragraph (3) of subdivision (a) and in performing program audits and in determining any resulting rate reduction, overpayment assessment, or other actions pursuant to paragraph (2) of subdivision (e):

Rate Classification	Adjusted Point Ranges for the 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, and 2009-10
Level	Fiscal Years
1	Under 54
2	54- 81
3	82-110
4	111-138
5	139-167
6	168-195
7	196-224
8	225-253
9	254-281
10	282-310
11	311-338
12	339-367
13	368-395
14	396 & Up

(B) Notwithstanding subparagraph (A), foster care providers operating group homes during the 2002–03, 2003–04, 2004–05, 2005–06, 2006–07, 2007–08, 2008–09, and 2009–10 fiscal years shall remain responsible for ensuring the health and safety of the children placed in their programs in accordance with existing applicable provisions of the Health and Safety Code and community care licensing regulations, as contained in Title 22 of the Code of California Regulations.

(C) Subparagraph (A) shall not apply to program audits of group home programs with provisional rates established pursuant to

paragraph (1) of subdivision (e). For those program audits, the RCL point ranges in paragraph (1) shall be used.

(D) Rates applicable for the 2009–10 fiscal year pursuant to the act that adds this subparagraph shall be effective October 1, 2009.

(3) (A) For group home programs that receive AFDC-FC payments for services performed during the 2009–10 fiscal year the adjusted RCL point ranges below shall be used for establishing the biennial rates for existing programs, pursuant to paragraph (3) of subdivision (a) and in performing program audits and in determining any resulting rate reduction, overpayment assessment, or other actions pursuant to paragraph (2) of subdivision (e):

Rate Classification Level	Adjusted Point Ranges for the 2009–10 Fiscal Year
1	Under 39
2	39-64
3	65-90
4	91-115
5	116-141
6	142-167
7	168-192
8	193-218
9	219-244
10	245-270
11	271-295
12	296-321
13	322-347
14	348 & Up

(B) Notwithstanding subparagraph (A), foster care providers operating group homes during the 2009–10 fiscal year shall remain responsible for ensuring the health and safety of the children placed in their programs in accordance with existing applicable provisions of the Health and Safety Code and community care licensing regulations as contained in Title 22 of the California Code of Regulations.

(C) Subparagraph (A) shall not apply to program audits of group home programs with provisional rates established pursuant to

1 paragraph (1) of subdivision (e). For those program audits, the
2 RCL point ranges in paragraph (1) shall be used.

3 (g) (1) (A) For the 1999–2000 fiscal year, the standardized
4 rate for each RCL shall be adjusted by an amount equal to the
5 California Necessities Index computed pursuant to the methodology
6 described in Section 11453. The resultant amounts shall constitute
7 the new standardized schedule of rates, subject to further
8 adjustment pursuant to subparagraph (B).

9 (B) In addition to the adjustment in subparagraph (A),
10 commencing January 1, 2000, the standardized rate for each RCL
11 shall be increased by 2.36 percent, rounded to the nearest dollar.
12 The resultant amounts shall constitute the new standardized
13 schedule of rates.

14 (2) Beginning with the 2000–01 fiscal year, the standardized
15 schedule of rates shall be adjusted annually by an amount equal
16 to the CNI computed pursuant to Section 11453, subject to the
17 availability of funds. The resultant amounts shall constitute the
18 new standardized schedule of rates.

19 (3) Effective January 1, 2001, the amount included in the
20 standard rate for each Rate Classification Level (RCL) for the
21 salaries, wages, and benefits for staff providing child care and
22 supervision or performing social work activities, or both, shall be
23 increased by 10 percent. This additional funding shall be used by
24 group home programs solely to supplement staffing, salaries,
25 wages, and benefit levels of staff specified in this paragraph. The
26 standard rate for each RCL shall be recomputed using this adjusted
27 amount and the resultant rates shall constitute the new standardized
28 schedule of rates. The department may require a group home
29 receiving this additional funding to certify that the funding was
30 utilized in accordance with the provisions of this section.

31 (4) Effective January 1, 2008, the amount included in the
32 standard rate for each RCL for the wages for staff providing child
33 care and supervision or performing social work activities, or both,
34 shall be increased by 5 percent, and the amount included for the
35 payroll taxes and other employer-paid benefits for these staff shall
36 be increased from 20.325 percent to 24 percent. The standard rate
37 for each RCL shall be recomputed using these adjusted amounts,
38 and the resulting rates shall constitute the new standardized
39 schedule of rates.

1 (5) The new standardized schedule of rates as provided for in
2 paragraph (4) shall be reduced by 10 percent, effective October 1,
3 2009, and the resulting rates shall constitute the new standardized
4 schedule of rates.

5 (6) The rates of licensed group home providers, whose rates are
6 not established under the standardized schedule of rates, shall be
7 reduced by 10 percent, effective October 1, 2009.

8 (h) The standardized schedule of rates pursuant to subdivisions
9 (f) and (g) shall be implemented as follows:

10 (1) Any group home program that received an AFDC-FC rate
11 in the prior fiscal year at or above the standard rate for the RCL
12 in the current fiscal year shall continue to receive that rate.

13 (2) Any group home program that received an AFDC-FC rate
14 in the prior fiscal year below the standard rate for the RCL in the
15 current fiscal year shall receive the RCL rate for the current year.

16 (i) (1) The department shall not establish a rate for a new
17 program of a new or existing provider, or for an existing program
18 at a new location of an existing provider, unless the provider
19 submits a letter of recommendation from the host county, the
20 primary placing county, or a regional consortium of counties that
21 includes all of the following:

22 (A) That the program is needed by that county.

23 (B) That the provider is capable of effectively and efficiently
24 operating the program.

25 (C) That the provider is willing and able to accept AFDC-FC
26 children for placement who are determined by the placing agency
27 to need the level of care and services that will be provided by the
28 program.

29 (D) That, if the letter of recommendation is not being issued by
30 the host county, the primary placing county has notified the host
31 county of its intention to issue the letter and the host county was
32 given the opportunity 30 days to respond to this notification and
33 to discuss options with the primary placing county.

34 (2) The department shall encourage the establishment of
35 consortia of county placing agencies on a regional basis for the
36 purpose of making decisions and recommendations about the need
37 for, and use of, group home programs and other foster care
38 providers within the regions.

39 (3) The department shall annually conduct a county-by-county
40 survey to determine the unmet placement needs of children placed

1 pursuant to Section 300 and Section 601 or 602, and shall publish
2 its findings by November 1 of each year.

3 (j) The department shall develop regulations specifying
4 ratesetting procedures for program expansions, reductions, or
5 modifications, including increases or decreases in licensed capacity,
6 or increases or decreases in level of care or services.

7 (k) ~~(1)~~ For the purpose of this subdivision, “program change”
8 means any alteration to an existing group home program planned
9 by a provider that will increase the RCL or AFDC-FC rate. An
10 increase in the licensed capacity or other alteration to an existing
11 group home program that does not increase the RCL or AFDC-FC
12 rate shall not constitute a program change.

13 ~~(2) For the 1998–99, 1999–2000, and 2000–01 fiscal years, the~~
14 ~~rate for a group home program shall not increase, as the result of~~
15 ~~a program change, from the rate established for the program~~
16 ~~effective July 1, 2000, and as adjusted pursuant to subparagraph~~
17 ~~(B) of paragraph (1) of subdivision (g), except as provided in~~
18 ~~paragraph (3).~~

19 ~~(3) (A) For the 1998–99, 1999–2000, and 2000–01 fiscal years,~~
20 ~~the department shall not establish a rate for a new program of a~~
21 ~~new or existing provider or approve a program change for an~~
22 ~~existing provider that either increases the program’s RCL or~~
23 ~~AFDC-FC rate, or increases the licensed capacity of the program~~
24 ~~as a result of decreases in another program with a lower RCL or~~
25 ~~lower AFDC-FC rate that is operated by that provider, unless both~~
26 ~~of the following conditions are met:~~

27 ~~(i) The licensee obtains a letter of recommendation from the~~
28 ~~host county, primary placing county, or regional consortium of~~
29 ~~counties regarding the proposed program change or new program.~~

30 ~~(ii) The county determines that there is no increased cost to the~~
31 ~~General Fund.~~

32 ~~(B) Notwithstanding subparagraph (A), the department may~~
33 ~~grant a request for a new program or program change, not to exceed~~
34 ~~25 beds, statewide, if both of the following conditions are met:~~

35 ~~(i) The licensee obtains a letter of recommendation from the~~
36 ~~host county, primary placing county, or regional consortium of~~
37 ~~counties regarding the proposed program change or new program.~~

38 ~~(ii) The department determines that the new program or program~~
39 ~~change will result in a reduction of referrals to state hospitals~~
40 ~~during the 1998–99 fiscal year.~~

1 (l) General unrestricted or undesignated private charitable
2 donations and contributions made to charitable or nonprofit
3 organizations shall not be deducted from the cost of providing
4 services pursuant to this section. The donations and contributions
5 shall not be considered in any determination of maximum
6 expenditures made by the department.

7 (m) The department shall, by October 1 of each year,
8 commencing October 1, 1992, provide the Joint Legislative Budget
9 Committee with a list of any new departmental requirements
10 established during the previous fiscal year concerning the operation
11 of group homes, and of any unusual, industrywide increase in costs
12 associated with the provision of group care that may have
13 significant fiscal impact on providers of group homes care. The
14 committee may, in fiscal year 1993–94 and beyond, use the list to
15 determine whether an appropriation for rate adjustments is needed
16 in the subsequent fiscal year.

17 SEC. 5. Section 11521 of the Welfare and Institutions Code is
18 repealed.

19 ~~11521. By July 1, 1998, the department shall revise data~~
20 ~~collection procedures used for quality control and caseload~~
21 ~~characteristic studies in order to respond to the data collection~~
22 ~~requirements of Public Law 104-193 and state law. The department~~
23 ~~shall develop common data definitions to be used by the counties;~~
24 ~~design common identifiers, and, to the extent possible, standardize~~
25 ~~state and county data collection infrastructure. The department~~
26 ~~shall accomplish the requirements of this section in consultation~~
27 ~~with experts in monitoring and research, representatives of~~
28 ~~counties, the Legislature, and appropriate state agencies.~~

29 SEC. 6. Section 11521.7 of the Welfare and Institutions Code
30 is repealed.

31 ~~11521.7. The department shall continue the evaluation of~~
32 ~~Cal-Learn and issue a final report to the Legislature by July 1,~~
33 ~~2000.~~